

## Choose Albany

# Citywide Homebuyer Assistance Loan Guidelines

Citywide Homebuyer Assistance Loan offers a zero-interest loan for eight percent of your purchase price – up to \$15,000 – to go toward downpayment and closing costs for anyone buying a home in the City of Albany. When deciding where to buy a home in the Capital Region, we want you to choose Albany and take advantage of everything the Capital City has to offer. The Choose Albany programs have no income restrictions, and will serve to boost homeownership rates in the City and help long-term renters make the transition into owning their own home.

This is a pilot program, so apply now while funds last!

### **What are the benefits?**

- Zero-interest loan (0%)
- Eight percent of your purchase price up to \$15,000
- Toward downpayment and closing costs
- Citywide

### **What do I need to know?**

- Property must be in the City of Albany
- The purchase price may not exceed \$200,000
- Home must have only 1-4 units
- Must be Owner Occupied
- No income restrictions
- Must live in the home for the Term of the loan
- Free homebuyer/homeownership training for first-time buyers is required

## 1) Overview

*Choose Albany* Citywide Homebuyer Assistance Loan was developed to provide financial assistance to applicants who are interested in purchasing a home in the City of Albany. If you are interested in purchasing a home in Albany you may be eligible for a 10 year, zero-percent interest loan up to \$15,000 to be used towards the purchase of your new home. This program is a first come first serve program that will be available as long as there are funds available.

## 2) Program Goals

When deciding where to buy a home in the Capital Region, we want you to choose Albany and take advantage of everything the Capital City has to offer. *Choose Albany* programs will serve to boost homeownership rates in the City and help long-term renters make the transition into owning their own home.

## 3) Financial Benefit

- Up to 10-year loan
- Zero-percent (0%) interest rate
- For closing costs and down payment assistance
- Loan amount not to exceed eight percent (8%) of purchase price up to \$15,000

## 4) Eligibility

### A) Eligible Applicants

1. Income
  - (a) No income restrictions
2. Pre-Approval
  - (a) Each applicant will need to work with a recognized lender to secure a pre approval letter and a signed purchase contract for a qualifying property in the City of Albany.
  - (b) Each applicant will need to demonstrate that they have met the lender's underwriting and approval process for a mortgage.
  - (c) The lender will provide the interest rate and all terms for the first mortgage.
3. Owner-Occupancy
  - (a) Purchased home must be applicant's primary residence
  - (b) Individuals are not required to be first time homebuyers
4. Prior Use of Program
  - (a) Applicants may not utilize a *Choose Albany* loan more than once
5. Prior Delinquency
  - (a) Any applicant who has filed bankruptcy within the last three years (unless the applicant has been released from this bankruptcy and has a approval from a recognized lender for new purchase) is ineligible for a *Choose Albany* loan

- (b) Applicant must be in good standing with ALL City of Albany Departments.

*B) Eligible Properties*

1. Maximum Purchase Price
  - (a) The purchase price of the property cannot exceed \$200,000
2. Location
  - (a) Properties within the City of Albany
  - (b) No neighborhood restrictions
3. Number of Units
  - (a) Properties must have 1-4 units
  - (b) Owner must occupy one of the units
4. Vacant Buildings
  - (a) If the building meets the City of Albany's definition of a Vacant Building, the City will require an architectural drawing/structural engineer report

*C) Eligible Costs*

1. Eligible Acquisition Costs
  - (a) Down payment
  - (b) Closing costs
2. Ineligible Costs
  - (a) Property improvements.
  - (b) Room additions.
  - (c) Delinquent Taxes, water bills, homeowners insurance, judgments or liens.

**5) Terms of Assistance**

*A) Maximum Assistance*

1. Maximum financial assistance under *Choose Albany* Citywide Homebuyer Assistance Loan is \$15,000
2. Maximum financial assistance under *Choose Albany* Citywide Homebuyer Assistance Loan shall not exceed 8% of the total purchase price.

*B) Loan Term*

1. Term of loan to be based on total amount being offered. Possible loan terms as follows:
  - (a) Loan Amount up to \$5,000 = Term of Loan is 5 years
  - (b) Loan Amount \$5,000-\$15,000 = Term of Loan is 5 or 10 years (Applicants Choice)

*C) Use with Other Programs*

1. Choose Albany Citywide Homebuyer Assistance Loan cannot be combined with the Capital City Employer Incentive Loan, Home Acquisition Program (HAP), Home Owner Assistance Program (HOAP), or Senior Rehab.

#### *D) Training Requirements*

1. All applicants are required to register for or complete the Homebuyer 101 course offered by the Affordable Housing Partnership prior to being qualified for the program. (Affordable Housing Partnership, 255 Orange St. Albany NY 12210, 518-434-1730, [www.ahphome.org](http://www.ahphome.org))
2. Proof of course registration or completion must be provided prior to eligibility.

#### *E) Owner-Occupancy After Purchase*

1. It is a requirement that the property be maintained as the applicant's primary residency for the length of the loan.

#### *F) Code Compliance/Compliance*

All units in the purchased property must meet all City of Albany and State of New York codes, including but not limited to building codes, fire codes and zoning codes.

1. Zoning
  - (a) Property must comply with local zoning ordinances to be eligible. All required variances and conditional use permits must be secured before application
2. State and City Fire/Building Code
  - (a) All properties that receive *Choose Albany* assistance must meet all applicable State of New York and local housing codes at time of closing.
  - (b) No assistance will be provided unless the entire property is brought into code compliance.
3. Certificate of Occupancy/ Residential Occupancy Permits
  - (a) A Certificate of Occupancy (CO) must be issued by the City of Albany prior to closing.
  - (b) A Residential Occupancy Permit (ROP) must be issued/performed by the City of Albany when required.
4. Proof of Residency Compliance
  - (a) Recipients are required to provide TWO (2) forms of proof of Residency to ACDA compliance staff on an annual basis due January 1<sup>st</sup> – January 31<sup>st</sup> of each year to ( ACDA 200 Henry Johnson Blvd, Albany NY 12210, Attn Compliance Department). Acceptable forms of proof include, but are not limited to, an energy bill, a phone bill, or a cable bill. Failure to comply will result in legal action.

#### *G) Insurance*

1. Fire and Hazard Insurance
  - (a) The owner will be required to obtain and keep current for the length of the mortgage, fire and hazard insurance to cover the value of the

house defined as the purchase price plus the cost of the rehabilitation. The Albany Community Development Agency must be named on the policy as one of the insured parties.

## 2. Flood Insurance

- (a) The City of Albany will determine if the project is located in a flood hazard area according to the most recent FEMA map. If the building is located in a flood hazard area, the owner must obtain flood insurance and keep the insurance coverage current for the life of the mortgage in accordance with the Flood Disaster Protection Act of 1973.

## H) *Applicant's Personal Funds*

1. Applicants are expected to utilize his or her own personal funds toward the purchase of the property at a rate provided by his or her financial lending institution.

## I) *Penalties and Default*

1. There is no penalty for early repayment
2. If during this timeframe any of the following events should occur, full repayment of any outstanding loan amount will be required.
  - (a) The sale of the property, or
  - (b) Transfer of title to the property, or
  - (c) Death of the borrower, or
  - (d) Failure of the borrower to maintain primary residency in the property receiving assistance, or
  - (e) Failure to maintain property at proper code requirements, or
  - (f) Applicant's filing a petition of bankruptcy, or
  - (g) The filing of a declared default on any other mortgage or mortgages covering the property

## J) *Mortgages and Liens*

1. A subordinated mortgage will be placed on the property to secure the loan.

# 6. Availability of Funds

## A) *Order of Acceptance*

1. Funds are available on a first-come, first-serve basis based on submission date of completed application.

## B) *Pilot Program*

1. The *Choose Albany* Citywide Homebuyer Assistance Loan is funded as a pilot program. Once funds are expended, applications will no longer be accepted



Gerald D. Jennings  
Mayor

CITY OF ALBANY  
ALBANY COMMUNITY  
DEVELOPMENT AGENCY  
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Michael J. Yevoli  
Commissioner

**Application Checklist for Choose Albany Programs:**  
*Citywide Homebuyer Assistance Loan*  
*Capital City Employer Incentive*

The staff can provide assistance prior to submitting an application to make sure that all applicable items will be submitted. Our staff will review all applications for completeness and will return incomplete applications. An application is not complete and **WILL NOT** be accepted unless the following items are submitted at one time:

- \_\_\_\_\_ Signed Purchase Contract (A Bank Commitment Letter will be required before ACDA will schedule the closing)
- \_\_\_\_\_ Pre-Approval letter from a Lending Institution showing loan amount, interest rate, and term.
- \_\_\_\_\_ Completed Application
- \_\_\_\_\_ Credit / Media Authorization Forms
- \_\_\_\_\_ Copy of photo ID of ALL OWNERS (Drivers License or non-driving ID card issued by DMV)  
All application documents must be signed EXACTLY as name appears on the provided picture ID
- \_\_\_\_\_ Copy of most recent pay stub
- \_\_\_\_\_ Copy of Appraisal (when completed) \_\_\_\_\_ Copy of Good Faith Estimate
- \_\_\_\_\_ Proof of completion or registration in required homeownership training program(s)
- \_\_\_\_\_ Proof of Employment Letter from participating partner (Capital City Employer Incentive only)
- \_\_\_\_\_ Has read and understood the Citywide Homebuyer Assistance Loan Guidelines \_\_\_\_\_ (if applicable)  
(Applicant Initials)
- \_\_\_\_\_ Has read and understood the Capital City Employer Incentives Guidelines \_\_\_\_\_ (if applicable)  
(Applicant Initials)
- \_\_\_\_\_ Does Applicant or Co-Applicant have any outstanding monies owed to any City of Albany agency  
Yes\_\_\_ or No\_\_\_ If yes, to Whom\_\_\_\_\_ \$\_\_\_\_\_

**For Internal Use Only**

Program Selected \_\_\_\_\_ Amount \$ \_\_\_\_\_ Term \_\_\_\_\_ Monthly Pymt Amt \$ \_\_\_\_\_

Completed application with all required documentation received from applicant on \_\_\_\_\_ by \_\_\_\_\_  
(Date) (Initial)

Completed application with all required documentation received by ACDA on \_\_\_\_\_ by \_\_\_\_\_  
(Date) (Initial)



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## **Application for Choose Albany Programs**

\_\_\_\_\_ Citywide Homebuyer Assistance Loan

\_\_\_\_\_ Capital City Employer Incentive

Are you or an immediate relative an employee, agent, consultant, officer, elected or appointed official of the City of Albany, Albany Police Department, Albany Fire Department or a Neighborhood Improvement Corporation? Y / N

If yes, what is relationship \_\_\_\_\_

Which organization(s) \_\_\_\_\_

### **APPLICANT INFORMATION**

Name of Applicant \_\_\_\_\_ M / F SS# \_\_\_\_\_

Name of Co- Applicant \_\_\_\_\_ M / F SS# \_\_\_\_\_

Address \_\_\_\_\_

\_\_\_\_\_ Zip \_\_\_\_\_

Home Telephone # \_\_\_\_\_ Work # \_\_\_\_\_ Cell # \_\_\_\_\_ Fax # \_\_\_\_\_

Email Address \_\_\_\_\_

First-time Homebuyer ? Y / N New to City of Albany? Y / N If no, years lived in Albany \_\_\_\_\_

Where did you hear about our program \_\_\_\_\_

### **OPTIONAL:**

Is this a female head of household with children? \_\_\_\_\_ YES \_\_\_\_\_ NO

Is anyone over age 61 in this household? \_\_\_\_\_ YES \_\_\_\_\_ NO

Is head of household or spouse disabled? \_\_\_\_\_ YES \_\_\_\_\_ NO

If YES, type of disability \_\_\_\_\_

Which of the following do you consider yourself to be? (Check **ALL** that apply)

\_\_\_\_\_ White \_\_\_\_\_ Asian \_\_\_\_\_ Black/African American

\_\_\_\_\_ Hispanic \_\_\_\_\_ American Indian/Alaskan Native

\_\_\_\_\_ Native Hawaiian/Pacific Islander \_\_\_\_\_ Other \_\_\_\_\_

**EMPLOYMENT INFORMATION***(Applicant)*

Employer \_\_\_\_\_

Address \_\_\_\_\_  
\_\_\_\_\_

Years Employed \_\_\_\_\_ Salary \_\_\_\_\_

Title: \_\_\_\_\_

Supervisor: \_\_\_\_\_

Supervisor Contact #: \_\_\_\_\_

Other Income \_\_\_\_\_ \$ \_\_\_\_\_

*(Co-Applicant)*

Employer \_\_\_\_\_

Address \_\_\_\_\_  
\_\_\_\_\_

Years Employed \_\_\_\_\_ Salary \_\_\_\_\_

Title: \_\_\_\_\_

Supervisor \_\_\_\_\_

Supervisor Contact #: \_\_\_\_\_

Other Income \_\_\_\_\_ \$ \_\_\_\_\_

**BANK ACCOUNT(S)**1) **Applicant** - Name & Address of Bank \_\_\_\_\_

Amount \$ \_\_\_\_\_ Type \_\_\_\_\_ Amount \$ \_\_\_\_\_ Type \_\_\_\_\_

2) **Co-Applicant** - Name & Address of Bank \_\_\_\_\_

Amount \$ \_\_\_\_\_ Type \_\_\_\_\_ Amount \$ \_\_\_\_\_ Type \_\_\_\_\_

3) Additional Accounts - Name &amp; Address of Bank \_\_\_\_\_

Amount \$ \_\_\_\_\_ Type \_\_\_\_\_ Amount \$ \_\_\_\_\_ Type \_\_\_\_\_

**PROPERTY TO BE PURCHASED**

Address \_\_\_\_\_

Square Footage \_\_\_\_\_ Year Built \_\_\_\_\_ # Bedrooms \_\_\_\_\_ # Bathrooms \_\_\_\_\_

Anticipated Closing Date \_\_\_\_\_

Purchase Price \$ \_\_\_\_\_ Appraised Value \$ \_\_\_\_\_

Assessed Value \$ \_\_\_\_\_

Annual Taxes: School \$ \_\_\_\_\_ Property \$ \_\_\_\_\_

Is property multi-family? (1\_\_2\_\_3\_\_4\_\_) Y / N If yes, please provide the following information:

Number of Bedrooms in the Owner's Unit \_\_\_\_\_ Number of Floor(s) of Owner's Unit \_\_\_\_\_

Rental Unit(s):

*Proposed Rent Bedrooms Floor*

Unit # 2 \$ \_\_\_\_\_ Heat included? \_\_\_\_\_ Utilities included? \_\_\_\_\_

Unit # 3 \$ \_\_\_\_\_ Heat included? \_\_\_\_\_ Utilities included? \_\_\_\_\_

Unit # 4 \$ \_\_\_\_\_ Heat included? \_\_\_\_\_ Utilities included? \_\_\_\_\_



**Third Party Information**

**Attorney**

Name \_\_\_\_\_

Address \_\_\_\_\_

Firm Name \_\_\_\_\_ Phone # \_\_\_\_\_

Email Address \_\_\_\_\_ Fax # \_\_\_\_\_

**Title Company**

Name \_\_\_\_\_

Address \_\_\_\_\_

Contact Person \_\_\_\_\_ Phone # \_\_\_\_\_

Email Address \_\_\_\_\_ Fax # \_\_\_\_\_

**Bank/Lender**

Name \_\_\_\_\_

Contact Person \_\_\_\_\_ Phone # \_\_\_\_\_

Email Address \_\_\_\_\_ Fax # \_\_\_\_\_

Amount of Mortgage Loan \$ \_\_\_\_\_

Interest Rate (%) \_\_\_\_\_ Term \_\_\_\_\_

\*\*\*\*\*

ANY KNOWINGLY FALSE INFORMATION SUPPLIED BY THE APPLICANT WILL RENDER THIS APPLICATION NULL AND VOID.

The applicant certifies all information in this application is true to the best of his or her knowledge and belief and that he or she has read and understood the appropriate program guidelines.

Verification may be obtained from any sources named in this document.

Signature of Applicant \_\_\_\_\_ Date \_\_\_\_\_

Signature of Co-Applicant \_\_\_\_\_ Date \_\_\_\_\_

Reviewed by \_\_\_\_\_ Date \_\_\_\_\_

**Credit Authorization**

I/We, the undersigned, hereby empower the Albany Community Development Agency and or its agents and employees to obtain credit, financial, income tax and any additional information necessary to process my application for *Choose Albany* program(s).

I/We also authorize the Social Security Administration to disclose information relative to the amount of my gross benefit to the Albany Community Development Agency and or its agents

Signature of Applicant \_\_\_\_\_ Soc Sec # \_\_\_\_\_ Date \_\_\_\_\_

Signature of Co-Applicant \_\_\_\_\_ Soc Sec # \_\_\_\_\_ Date \_\_\_\_\_

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**Marketing Release**

I/We, the undersigned, do hereby consent and agree that the Albany Community Development Agency , its employees, or agents have the right to take photographs or digital recordings of:

Me/Us \_\_\_\_\_ (Initial Here)

or

My/Our property at the address of \_\_\_\_\_, \_\_\_\_\_ (Initial Here)

Beginning on \_\_\_\_\_ and ending on \_\_\_\_\_ and to use these in any and all media, now or hereafter known, and exclusively for the purpose of marketing the *Choose Albany* program. I/We further consent that my/our name and identity may be revealed therein or by descriptive text or commentary.

I/We do hereby release to Albany Community Development Agency, its agents, and employees all rights to exhibit this work in print and electronic form publicly or privately and to market and sell copies. I/We waive any rights, claims, or interest I/we may have to control the use of my/our identity or likeness in whatever media used.

I/We understand that there will be no financial or other remuneration for recording me/us or our property, either for initial or subsequent transmission or playback.

I/We also understand that Albany Community Development Agency is not responsible for any expense or liability incurred as a result of my/our participation in this recording, including medical expenses due to any sickness or injury incurred as a result.

I/we represent that I/we am/are at least 18 years of age, have read and understand the foregoing statement, and am/are competent to execute this agreement.

Signature of Applicant \_\_\_\_\_ Date \_\_\_\_\_

Signature of Co-Applicant \_\_\_\_\_ Date \_\_\_\_\_